50X1-HUM

CLASSIFICATION.

CENTRAL INTELLIGENCE AGENCY

INFORMATION FROM FOREIGN DOCUMENTS OR RADIO BROADCASTS CD NO.

COUNTRY Poland DATE OF

SUBJECT

Economic - Investment planning

INFORMATION

HOW

PUBLISHED Daily newspaper

WHERE

PUBLISHED Warsaw

NO. OF PAGES

PUBLISHED 17 Nov 1949

LANGUAGE Polish

SUPPLEMENT TO REPORT NO.

THIS IS UNEVALUATED INFORMATION

SOURCE

Trybuna Ludu, No 317, 1949.

The investment projects of the Three-Year Plan are reaching completion and new Six-Year Flan projects are about to be started.

Success depends on the removal of bottlenecks arising in processing investments. One type of bottleness is caused by poor scheduling of investment projects.

Under present conditions, the investment plan for the most part is not used on technical documentation but on estimates. Often in the course of execation, the investment plans are found to be inadequate, and have to be altered or completely done over, delaying the execution of the projects. The low level of planning is largely due to inadequate personnel and the lack of a specific basis of planning. In formulating the plan more attention is paid to securing the greatest possible amount of investment funds than to drawing up a rational

Hitherto investment funds have been spread over too many projects, resulting in the freezing of resources in uncompleted projects.

Another typical error in investment planning is faulty selection of building sites, with no thought to coordinating their locations with those of related branches of the national economy.

In investment planning thus far, not enough attention has been given to the returns on the investment, that is, whether or not the returns are compatible with the money expended. With the increasing number of buildings being erected, this problem should receive serious consideration.

The difficulty encountered in securing suitable sites has seriously delayed investment processes. Private ownership of lands, entailing lengthy expropriation proceedings, and the inefficiency of the planning authorities in securing sites for buildings have delayed many investment projects.

		CLASSIFICATION	CONFIDENTIAL	
STATE	X NAVY	NSRB	DISTRIBUTION	
ARM'/	AIR	X FBI		



The most troublesome bottleneck is the continued lack of production in the drafting offices. Technical documentation therefore is several months behind the plan instead of being several months ahead of it.

Despite all these obstacles, it is expected that the 1949 plan will be basically completed by the end of the calendar year.

The first quarter of 1949 was taken up by the carry-over of the 1948 investment plan. Work scheduled for 1949 did not start until the second quarter, which resulted in a great loss of time and pushed the peak load to the last quarter.

Since it is expected that the 1949 investment plan will be completed technically by 31 December and the period of grace will be utilized exclusively for settling accounts, the way will be cleared for the 1950 investment plan. The investors should make the required preparations now for the execution of the 1950 plan so that the first quarter will not be wasted.

The Economic Committee has already worked out and approved a draft of the Council of Ministers' resolution concerning investment and drafting office personnel.

The Ministry of Construction, which superceded the Ministry of Reconstruction, supervises all general building enterprises and decides which special building projects should be under the direct supervision of other pertinent ministries.

In 1949, a new methodology for planning activities of the building enterprises for 1950 and for planning the supply of materials was worked out.

The reorganization of the National Economic Bank and the distribution of the authority of financing between this bank and several other special banks such as the Farm Bank and the Community Bank will strengthen the financial and technical control over the execution of the investment plan.

- E N D -

- 2 -

CONFIDENTIAL

